

# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

No. 1726

Washington, D. C.

April 11, 1959

### Petition To Amend Labeling of Foods for Dietary Use

The Florida Citrus Commission on April 8 filed with the Food and Drug Administration a petition seeking amendment of the regulations under Section 403(j) of the Federal Food, Drug, and Cosmetic Act governing the label statement relating to nonnutritive constituents in foods for special dietary uses. At the present time the regulations contemplate use only of saccharin and saccharin salts as non-nutritive sweeteners and require a label statement to the effect that they are to be used only by persons who must restrict their intake of ordinary sweets.

The proposal of the Florida Citrus Commission would bring the regulation up to date by including cyclamate calcium and cyclamate sodium among the nonnutritive sweeteners contemplated and would amend the required label statement to indicate that a non-nutritive sweetener has been employed for persons who desire to restrict their intake of ordinary sweets.

The petition of the Florida Citrus Commission gives as a reason for the proposed amendment the desire of the grapefruit canning industry to adjust the flavor of canned grapefruit juice without the addition of a nutritive sweetener. If, however, the regulation is amended as proposed, it would apply to all canners employing artificial sweetening agents.

### N.C.A. Speakers in Indiana

Dr. Ira I. Somers, Director of the N.C.A. Research Laboratories, delivered a paper on the "Fundamentals of Processing" at the Indiana Canners Association's Technology Conference held at Purdue University on April 7. In his talk, Dr. Somers emphasized the importance of proper retort operation.

At this same meeting Earl C. Richardson explained the reporting service offered by NCA for mold counts, worm and insect fragments, and fly egg counts in tomato products. Mr. Richardson also joined a panel discussion on the various methods of making fly egg counts.

### N.C.A. Statement on Unemployment Insurance Emphasizes Seasonal Character of the Industry, Opposes Federalization

On behalf of the N.C.A., Paul E. Benson of the Green Giant Company testified before the House Ways and Means Committee April 10 in opposition to further federalization of the unemployment insurance program.

The hearings by the Committee, scheduled for April 7-16, are concerned with various bills to amend the Social Security Act so as to federalize the unemployment insurance program in various degrees.

The N.C.A. statement pointed out that the canning industry is the largest employer of seasonal workers in the nation, and emphasized that the canning industry does not, and cannot, contribute to unemployment because of the very fundamental nature of its

operation. Rather, it was said, the industry provides employment for many people who do not want and will not accept permanent employment.

It was pointed out that because of the different employment patterns in the industry peculiar to the different characteristics of products, climate, people, customs and habit, the states have answered the employment-unemployment problems in different ways. Many of the important canning states have adapted their state insurance programs to the special characteristics of the industry in those states, and it was pointed out that federalization of the program might not recognize sufficiently the canning industry's local characteristics.

### N.C.A. Suggests Study and Action on State Taxation

The N.C.A. has submitted to the Senate Small Business Committee a statement of the canning industry's interest in state taxation of interstate business and suggesting action to avert undue burdens on interstate commerce as a result of state taxation.

The question arises out of a Supreme Court decision upholding the right of the states to tax out-of-state firms on their in-state operations. The Senate Small Business Committee held a one-day hearing on the subject April 8 (see INFORMATION LETTER of April 4, page 147).

Following is the text of the N.C.A. letter to Senator Sparkman (Ala.), Chairman of the Senate Small Business Committee:

The National Canners Association requests that this letter be considered a part of the record of the hearing you have scheduled by the Senate Small Business Committee for April 8 with reference to the application of state income taxes to the profits earned by out-of-state businesses on operations in a state. Your action in promptly taking notice of the problem presented by the recent Supreme Court decisions in the Northwestern States Portland Cement case and the Stockham Valves

and Fittings case is very much appreciated.

Practically all canned foods are produced by companies engaged in interstate commerce but there is no fixed pattern governing the commercial transactions of the industry. The businesses that make up the industry are corporations, cooperatives, partnerships, and individual proprietorships. Sales are handled by brokers, through wholesale concerns, by company sales forces, and by combinations of these methods. The food canning business is highly competitive as can be attested by its very low profit position among the other major manufacturing and distributing industries. There exists no opportunity for it to absorb the added costs inherent in new and differing taxing procedures. It is quite possible that the cost of paying multiple state income taxes would far exceed the amount of the taxes paid. Price increases made necessary might more than offset the benefits derived from the tax revenues.

We suggest that your Committee or some appropriate executive agency fully investigate the problems of state taxation on income earned by out-of-state companies and that action be taken toward the end that the freedom of the states is maintained in exercising their taxing powers without undue burdens being placed thereby on interstate commerce.

We stand ready to cooperate in this effort.

## Status of Legislation

**Agricultural trade development**—A number of bills to amend and extend P. L. 480 have been introduced. H. R. 2420 (Poage of Texas), to authorize long-term supply contracts, will be the subject of public hearings by a House Agriculture Subcommittee April 21-22.

**Clayton Act**—S. 726 (Sparkman and others), to make all future orders of the FTC self-executing and to provide penalties of \$5,000 daily for violations of consent decrees, was passed by the Senate March 18. H. R. 2977 (Celler), a similar bill, is pending before the House Judiciary Committee.

**Consumer expenditures**—H. R. 4420 (Zablocki of Wis.), to authorize the FTC to conduct an investigation which would include a determination of what portion of consumer expenditures for food and other farm products is realized by the farmer, the processor, the distributor, and others, has been referred to the House Commerce Committee.

**Co-op jurisdiction**—H. R. 200 (Mason of Ill.), to transfer jurisdiction over cooperatives' pricing from USDA to the Justice Dept., has been referred to the House Judiciary Committee.

**Co-op taxation**—The Secretary of the Treasury has submitted a proposed draft of legislation designed to "ensure the ultimate payment of a single tax on cooperative income," but bills embodying the Administration recommendations have not been introduced.

**Crew leader registration**—H. R. 5930 (Kearns of Pa.), to provide for registration of crew leaders in interstate agricultural employment (as recommended by the Labor Dept.), has been referred to the House Labor Committee.

**Fair trade**—S. 1083 (Humphrey and Proxmire), to amend the Federal Trade Commission Act to authorize proprietors of trade-marked goods to control the resale prices of their distributors, has been referred to the Senate Commerce Committee. H. R. 1253 (Harris of Ark.), an identical bill, was the subject of public hearings by the House Commerce Committee March 16-25.

**FDA artificial coloring**—The Secretary of Health, Education, and Welfare has announced that the Department will support legislation designed to assist FDA in regulating the use of artificial coloring in foods, drugs, and cosmetics, but bills for that purpose have not yet been introduced.

**Federal preemption**—H. R. 3 (Smith of Va.), to modify the doctrine of federal preemption in such a way that a state law would not be nullified by a federal law on the same subject unless the federal law so provided, was ap-

proved by a House Judiciary Subcommittee March 5.

**Food stamps**—A number of bills designed to facilitate distribution of surplus foods to needy families have been introduced and referred to the Agriculture Committees.

**Industrial uses**—Bills to provide programs of research on industrial uses of agricultural commodities were the subject of public hearings by a House Agriculture Subcommittee Feb. 18-20 and March 2-11.

**Labor-management practices**—S. 1555 (Kennedy-Cooper), to establish safeguards against improper practices in labor organizations and in labor-management relations, was approved by the Senate Labor Committee March 25 and was ordered reported.

Similar bills were the subject of public hearings by a House Labor Subcommittee in March; hearings resumed April 8.

**Marketing of potatoes**—S. 17 (Smith of Maine), to prohibit the sale of potatoes of a lower grade than U. S. No. 2, under certain conditions, has been referred to the Senate Agriculture Committee.

**Marketing of turkeys**—S. 430 (Engle) and H. R. 1344 (Sisk of Calif.), to provide for controls on the marketing of turkeys, have been referred to the Agriculture Committees.

**Marketing orders and parity**—H. R. 642 (Sisk of Calif.), to authorize the Secretary of Agriculture to continue a marketing order in effect even after parity is reached, has been referred to the House Agriculture Committee.

**Marketing order regions**—H. R. 1070 (Ullman of Calif.), to authorize the issuance of marketing orders on any or all production or marketing areas, rather than on the smallest regional area, has been referred to the House Agriculture Committee.

**Premerger notification**—The Attorney General has recommended legislation requiring prior notification before corporate mergers and acquisitions where the capital involved is more than \$10 million. S. 442 (O'Mahoney-Kefauver), to require 60 days' notice prior to merger or acquisition of corporations having total book value of \$10 million, was approved by the Senate Antitrust and Monopoly Subcommittee Feb. 9, but was returned by the Judiciary Committee to the Subcommittee for further study.

**Price increases**—H. R. 4934 (McGovern of S. D.), to require advance notice and public justification before effectuating price increases in industries so heavily concentrated that monopoly or the threat of monopoly is present, has been referred to the House Judiciary Committee. S. 215 (O'Mahoney), a similar bill, will be the subject of public hearings by the Senate Antitrust and Monopoly Subcommittee beginning April 22.

**Raw product bargaining**—H. R. 1793 (Bow of Mich.), to authorize collective bargaining between cooperative

associations of producers or handlers and processors or other purchasers, has been referred to the House Judiciary Committee.

**Robinson-Patman functional discounts**—S. 315 (O'Mahoney) and H. R. 929 (Rogers of Colo.), to require price differentials to wholesalers and retailers according to the character of their selling (not their buying), have been referred to the Judiciary Committees.

**Robinson-Patman good faith defense**—H. R. 11 (Patman), to restrict the "good faith" defense against a charge of price discrimination, has been referred to the House Judiciary Committee. S. 11 was the subject of public hearings by the Senate Antitrust and Monopoly Subcommittee March 17-23.

**Unemployment compensation**—H. R. 3547 (Karsten of Mo.) and other bills to amend the Social Security Act with respect to unemployment compensation, is the subject of public hearings scheduled by the House Ways and Means Committee April 7-16 (see story, page 155).

**Wage-Hour**—S. 1046 (Kennedy and others), which includes provisions to terminate the 7(b) (3), 7(c), and 13 (a) (5) exemptions, and other bills to curtail exemptions and raise the minimum wage have been referred to the Labor Committee.

S. 1085 (McNamara and Clark), to provide minimum wage coverage for hired farm labor employed by large farm enterprises, has been referred to the Senate Labor Committee.

**Waste disposal facilities**—H. R. 322 (Byrnes of Wis.), to authorize rapid amortization of waste disposal facilities and treatment works, has been referred to the House Ways and Means Committee.

## FISHERIES LEGISLATION

**Construction differential subsidy**—H. R. 2181 (King of Calif.), to amend the Merchant Marine Act to permit fishermen to apply for construction differential subsidies, has been referred to the House MM&F Committee.

**Fisheries Assistance Act**—A number of bills to provide a five-year program of assistance to depressed segments of the fishing industry have been introduced.

**Fisheries Cooperative Bank**—H. R. 180 (Lane of Mass.), providing for establishment of a federal bank for fishery cooperative associations, has been referred to the House MM&F Committee.

**Fisheries Cooperative Marketing Act**—S. 23 (Smith), H. R. 2777 (McCormack of Mass.) and H. R. 3348 (Pelly of Wash.), to exempt fishery cooperatives from provisions of the antitrust laws, have been referred to the Senate Commerce Committee and the House MM&F Committee.

**Fishermen's Protective Act**—S. 971 (Magnuson), to amend the Fishermen's Protective Act of 1954 to

broaden protection of U. S. vessels, has been referred to the Senate Commerce Committee.

**Mortgage and loan insurance**—S. 555 (Butler) and H. R. 3169 (Garmatz of Md.), to amend the Merchant Marine Act to provide mortgage and loan insurance on the cost of work in U. S. shipyards, have been referred to the Senate Commerce Committee and the House MM&F Committee.

**Polluted shellfish**—H. R. 1244 (Colmer of Miss.), to prohibit the importation of polluted shellfish, has been referred to the House Ways and Means Committee.

**Salmon conservation**—H. R. 605 (Pelly of Wash.) and other bills to prohibit the importation of salmon taken by nationals of a country that permits gill netting at certain times and places, have been referred to the House MM&F Committee. S. 502 (Bartlett-Gruening-Magnuson) was the subject of hearings by a Senate Commerce Subcommittee April 1-3.

**Tuna quotas**—H. R. 443 (Utt of Calif.), H. R. 447 (Wilson of Calif.) and H. R. 678 (Utt), to regulate the importation of tuna products, have been referred to the House Ways and Means Committee.

### Crew Leader Registration

The Labor Department's proposal to require registration of crew leaders in interstate agricultural employment has been embodied in legislation and introduced in the House as H. R. 5930.

The bill would require any person who is engaged for a fee in recruitment, hiring, furnishing, or transporting three or more migrant workers for interstate agricultural employment to obtain a certificate of registration from the Secretary of Labor. Certificates would be effective during the calendar year and would be renewable. No person could engage in any of the specified activities without a certificate.

The legislation prescribes standards by which the Secretary of Labor may determine the eligibility of crew leaders for registration certificates. A certificate could be denied or revoked upon a finding that the crew leader has been convicted of a felony; has knowingly given false or misleading information to workers in his crew concerning terms, conditions, or existence of agricultural employment; or has failed to comply with the terms of any working arrangements with migrant workers in his crew.

H. R. 5930 was introduced by Representative Kearns (Pa.), a member of the House Committee on Education and Labor, which has scheduled no action.

### 1957-58 Packs of Hot-Pack Single-Strength Citrus Juices

A report summarizing the 1957-58 packs of canned single-strength citrus juices in Florida, Texas, and California-Arizona has been issued by the N.C.A. Division of Statistics.

ORANGE JUICE		
	1956-57	1957-58
	(actual cases)	
Florida (a).....	10,102,108	18,028,784
Texas (a).....	173,185	134,782
Calif.-Ariz. (b).....	693,807	398,598
Total.....	30,059,220	18,562,164

(a) Pack from Nov.-Oct. (b) Pack from Jan.-Dec.

GRAPEFRUIT JUICE		
	1956-57	1957-58
	(actual cases)	
Florida (a).....	11,939,611	8,296,300
Texas (a).....	991,034	701,052
Calif.-Ariz. (b).....	604,510	368,011
Total.....	13,535,155	9,335,363

(a) Pack from Nov.-Oct. (b) Pack from Jan.-Dec.

BLENDED JUICE (Orange and Grapefruit)		
	1956-57	1957-58
	(actual cases)	
Florida (a).....	4,400,417	4,077,923
Texas (a).....	20,844	13,574
Calif.-Ariz. (b).....	70,548	48,331
Total.....	4,491,809	4,139,828

(a) Pack from Nov.-Oct. (b) Pack from Jan.-Dec.

The packs in Florida were compiled by the Florida Canners Association. The packs in Texas represent the packs of members of the Texas Canners Association and were compiled by that Association. The packs in California and Arizona were compiled by the N.C.A. Division of Statistics.

### Grades for Canned Ripe Olives

Notice is given in the *Federal Register* of April 3 that the Agricultural Marketing Service of USDA proposes to revise the U. S. standards for grades of canned ripe olives.

The proposal would revise detailed descriptions and requirements for two specific types from the grade standards which have been in effect since March 1, 1941. These are the "ripe type" olives which are processed to produce a typical dark brown to black color, and the "green-ripe" type, which ranges in color from yellow-green, green-yellow, or other greenish casts and may have a mottled appearance.

The green-ripe type has a distinctive sweet and mellow flavor as differentiated from the "ripe (or black)" type or pickled green olives often called "Spanish" type.

The proposed revision does not apply to pickled green olives which are covered by other grade standards, nor to canned olives of a tan to light bronze color prepared from olives harvested at advanced stages of maturity and commonly referred to as "tree-ripened" or "home-cured" styles.

The proposal would include styles of pitted, halved, sliced, chopped or minced, and broken pitted olives in addition to the whole unpitted style now included in the grade standards.

The revised standards would include pictorial illustrations of nine olive sizes, the marketing names for each size, and the average counts per pound. They would provide also for various categories of blended sizes and for mixed sizes.

Revised recommended minimum drained weights and detailed requirements for color, uniformity of size, defects, and character also are proposed.

Any exceptions to the proposals should be filed not later than June 3 with F. L. Southerland, Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, AMS, USDA, Washington 25, D. C.

### Tin Used in Tinplate, 1958

Tin consumed in the United States in the manufacture of tinplate decreased 12 percent in 1958, according to a report by the Bureau of Mines. Total use of tin by this industry was 29,270 long tons in 1958 compared with 32,200 tons in 1957. Almost 90 percent of the reduction in tin consumption was due to decreased output of hot-dipped tinplate. Electrolytic tinplate production in 1958 was the second largest of record, being exceeded only in 1957.

In 1958 80 percent of the tin used to make tinplate was for electrolytic and 20 percent for hot-dipped. Consumption decreased 1 percent for electrolytic and 31 percent for hot-dipped. Of the total output of tinplate in 1958, electrolytic accounted for 90 percent compared with 87 percent in 1957, and hot-dipped accounted for only 10 percent compared with 13 percent in 1957. Production of hot-dipped tinplate was the smallest since 1902.

Nearly 90 percent of the tinplate used is for making cans, of which 60 percent is for the food pack and 40 percent for nonfood products. Although tinplate production decreased 6 percent, shipments increased about 3 percent, the tonnage going to can makers being 9 percent more than in 1957.



## Forthcoming Meetings

- April 17-22—U. S. Wholesale Grocers Association, Convention and Exposition, Hotel Americana, Bal Harbour, Miami Beach
- April 20-25—International Chamber of Commerce, 17th Biennial Congress, Washington, D. C.
- April 26-29—U. S. Chamber of Commerce, 47th Annual Meeting, Washington, D. C.
- May 11-15—National Restaurant Convention and Exposition, Chicago
- May 21-23—NATIONAL CANNERS ASSOCIATION, Meeting of Board of Directors, Sheraton-Park Hotel, Washington, D. C.
- May 24-27—Super Market Institute, 23d Annual Convention and Exposition, Atlantic City
- June 5-10—Grocery Manufacturers of America, Inc., Annual Convention, The Greenbrier, White Sulphur Springs, W. Va.
- June 8-12—National Conference on Weights and Measures, sponsored by National Bureau of Standards, Sheraton-Park Hotel, Washington, D. C.
- June 14-15—Michigan Canners and Freezers Association, Spring Meeting, Whitcomb Hotel, St. Joseph
- June 14-17—Processed Apples Institute, 8th Annual Meeting, Whiteface Inn, Lake Placid, N. Y.
- June 16-17—Maine Canners and Freezers Association, Annual Meeting, Kennebunkport
- June 21-25—National Association of Retail Grocers, Convention and Exhibit, Chicago
- July 20-23—International Apple Association, Inc., Fruit Convention, Seattle
- Oct. 15-17—Florida Canners Association, 28th Annual Convention, Hollywood Beach Hotel, Hollywood
- Oct. 29-30—National Pickle Packers Association, Annual Meeting, Drake Hotel, Chicago
- Nov. 5—Illinois Canners Association, Fall Meeting, LaSalle Hotel, Chicago
- Dec. 13-16—National Food Sales Conference, National Food Brokers Association's 56th Annual Convention, Loop Hotels, Chicago
- Jan. 4-6—Northwest Canners and Freezers Association, 4th Annual Convention, Olympic Hotel, Seattle
- Jan. 10-13, 1960—Super Market Institute, Mid-year Conference, Bal Harbour, Fla.
- Jan. 18-23—NATIONAL CANNERS ASSOCIATION and Canning Machinery and Supplies Association, 53d Annual Conventions, Hotel Americana, Miami Beach, Fla.
- Feb. 23-24—Canadian Food Processors Association, Annual Convention, Seignior Club, Montebello, Que.

## Clyde L. Queen

Clyde L. Queen, 65, who served with the Pineapple Growers Association of Hawaii for 25 years, died in San Mateo, Calif., April 8. He had retired last July as executive secretary of the organization, which had its headquarters office in San Francisco. He also had served as secretary of the Pineapple Research Institute of Hawaii.

Mr. Queen was a native of Maryland and a graduate of the University of Michigan. Prior to his connection with the pineapple association, he had been a certified public accountant with Lybrand, Ross Bros. & Montgomery in San Francisco.

## Fast Food

Canned foods are featured in the article "Brunswick Stew simplified" in the March issue of *Fast Food*, an institutional food service magazine with a circulation of more than 50,000.

Food Editor Doris Zumsteg begins the article, "This hearty main dish—popular in southeastern United States restaurants—can be prepared easily, quickly by using canned foods for the principal ingredients.

"Cut cooking time as much as 25 minutes with canned tomatoes, okra, corn and lima beans.

"Save more than an hour over boiled chicken with canned chicken, or 35 minutes over even some pressure cooked chicken."

The recipe and the black and white photograph illustrating the article, were supplied by the N.C.A. Consumer Service Division.

## Better Homes and Gardens

"Treats with tomato juice," featuring canned tomato juice, is one of the short food articles in the April issue of *Better Homes and Gardens* magazine.

The article says, "Of course, chilled tomato juice is a dandy appetizer. But remember how good it is in an aspic mold or a bracing cup of hot soup.

"Aspic Tomato Ring has the subtle seasoning that's made this kind of aspic a salad favorite. Caught in the shiny gelatin are bits of celery for crunch.

"Hot Tomato Punch—just the thing to start the meal or serve with a tray of hors d'oeuvres. Easy, it's tomato juice and beef broth spiked with Worcestershire sauce and horseradish."

## International Trade Fairs

Following is a list of international trade fairs in which the USDA's Foreign Agricultural Service will participate during 1959:

- May 8-22—Bologna, Italy—23rd Samples Fair (FAS Mobile Exhibit)
- May 23-June 23—Madrid, Spain—Spanish Agricultural Fair
- June 1-20—Barcelona, Spain—International Samples Fair
- June 7-21—Poznan, Poland—28th International Trade Fair
- June 13-28—Lausanne, Switzerland—International Food Exhibition
- June 21-July 5—Trieste, Italy—11th Trieste International Samples Fair (FAS Mobile Exhibit)
- Aug. 2-10—Rovereto, Italy—11th Inter-Provincial Exposition of Handicrafts Industry and Agriculture (FAS Mobile Exhibit)
- Aug.-Sept.—Madras, India—U. S. Exhibit
- Sept. 1-23—Salonika, Greece—24th International Fair of Thessalonika
- Sept. 13-21—Cremona, Italy—14th International Fair of Dairy Cattle (FAS Mobile Exhibit)
- Sept. 26-Oct. 4—Cologne, Germany—Fifth General Provisions & Fine Foods Exhibition
- Oct. 1-15—Lima, Peru—Pacific International Trade Fair
- Nov. 6-21—Dijon, France—Commercial Industrial and Agricultural Food Fair
- Nov. 23-30—Foggia, Italy—National Cattle Fair (FAS Mobile Exhibit)

## Canned Foods at Swiss Fair

Convenience foods and the way they contribute to modern living will be the theme of the U. S. exhibit at the International Food Exposition, Lausanne, Switzerland, June 13-28, it is announced by USDA. The fair is sponsored by the 4th International Congress on Food Distribution.

Canned foods will be among the prepared and specialty foods on display at the American pavilion.

## TABLE OF CONTENTS

	PAGE	PAGE
<b>Congress</b>		<b>Forthcoming meetings</b> . . . . . 158
N.C.A. statement on unemployment insurance . . . . .	155	<b>Publicity</b>
N.C.A. suggests study and action on state taxation . . . . .	155	<i>Fast Food</i> . . . . . 158
Status of legislation . . . . .	156	<i>Better Homes and Gardens</i> . . . . . 158
Crew leader registration . . . . .	157	<b>Standards</b>
<b>Death</b>		Petition to amend labeling of foods for dietary use . . . . . 155
Clyde L. Queen . . . . .	158	Grades for canned ripe olives . . . . . 157
<b>Foreign Trade</b>		<b>Statistics</b>
International trade fairs . . . . .	158	1957-58 packs of hot-pack single-strength citrus juices . . . . . 157
Canned foods at Swiss fair . . . . .	158	<b>Supplies</b>
<b>Meetings</b>		Tin used in tinplate, 1958 . . . . . 157
N.C.A. speakers in Indiana . . . . .	155	